

ASSEMBLY BILL

No. 1804

Introduced by Assembly Member Hagman

February 10, 2010

An act to amend Section 1611 of the Unemployment Insurance Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1804, as introduced, Hagman. Employment Training Fund.

Existing law specifies that moneys in the Employment Training Fund are to be expended only for particular purposes relating to employment training and related administrative costs, but authorizes those moneys to be used for, among other purposes, loans to the General Fund, in accordance with specified provisions.

This bill would prohibit moneys in the Employment Training Fund from being used for loans to the General Fund.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1611 of the Unemployment Insurance
- 2 Code is amended to read:
- 3 1611. Moneys in the Employment Training Fund shall be
- 4 expended only for the purposes of Chapter 3.5 (commencing with
- 5 Section 10200) of Part 1 of Division 3, and for the costs of
- 6 administering this article and Section 976.6, except those moneys
- 7 may be used for any of the following:

1 (a) With the approval of the Legislature, the fund or
2 contributions to it may be used to pay interest charged on federal
3 loans to the Unemployment Fund.

4 (b) Commencing with allocations made to the Employment
5 Training Panel in the 1992–93 fiscal year, any moneys allocated
6 to the panel in a fiscal year that are not encumbered by the panel
7 in that fiscal year, shall revert to the Unemployment Insurance
8 Fund.

9 (c) It is the intent of the Legislature that the panel shall closely
10 monitor program performance and expenditures for employment
11 training programs administered by the panel, and that the panel
12 shall expeditiously disencumber funds that are not needed for
13 employment training program completion. Commencing with the
14 1992–93 fiscal year, those moneys that are disencumbered during
15 the fiscal year that are not reencumbered during the same fiscal
16 year shall revert to the Unemployment Insurance Fund.

17 ~~(d) Notwithstanding any other law, the Controller may use the~~
18 ~~moneys in the Employment Training Fund for loans to the General~~
19 ~~Fund as provided in Sections 16310 and 16381 of the Government~~
20 ~~Code. However, interest shall be paid on all moneys loaned to the~~
21 ~~General Fund from the Employment Training Fund. Interest~~
22 ~~payable shall be computed at a rate determined by the Pooled~~
23 ~~Money Investment Board to be the current earning rate of the fund~~
24 ~~from which loaned. This subdivision does not authorize any transfer~~
25 ~~that will interfere with the carrying out of the object for which the~~
26 ~~Employment Training Fund was created.~~